

EXHIBIT B-1

General Outline of Proposed Procedures for
Central Payment

1. Operating agencies will provide authorized travelers with T/R's, and travelers will issue the original to carriers in exchange for tickets in the same manner as at present. Likewise, the price of the ticket, as provided by the ticket agent, will be noted on the duplicate as at present.
2. Travelers will submit copies of T/R's issued with their reimbursement vouchers as at present. Likewise, as at present, a listing of the T/R's issued by the traveler will be shown on his voucher.
3. The agency would, at this point, under the proposed procedures, charge the total amount of the T/R's issued as an expenditure on its books and send the related copies of T/R's issued, through the regional Treasury disbursing officer, to the central payment facility. This is in contrast to the present procedure under which the agency retains on its books a record of the unliquidated obligations represented by the unpaid transportation requests and files the T/R copies for subsequent matching against related originals as received with the carriers' bills. The agency would not be concerned with such filing and matching or with audit and payment of carriers' bills and related record-keeping with respect to the unliquidated obligations represented by unpaid transportation requests.
4. No individual listings are contemplated as a requirement for submission of T/R's by agencies to regional Treasury disbursing officers. They would be entered in total only at the bottom of the voucher schedule on which are listed the individual checks to be issued for travelers reimbursements. Likewise, the recording of the expenditure for T/R's issued can be consolidated in a single charge along with the charge for reimbursement to travelers.
5. The regional Treasury disbursing officers will punch the dollar amounts into the T/R copies, utilizing their existing key punch facilities for punching Treasury checks. They will list them mechanically and develop a daily consolidated credit for all T/R copies received by them to a central account from which all carriers' bills are to be paid and send advice of such credit, related mechanical listings, and the related T/R copies to the central payment facility.
6. In those cases (which comprise a very small portion of the total T/R volume) where agencies are not regularly serviced by regional Treasury disbursing officers, the T/R copies will be sent, without punching, direct

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to the central payment facility along with advice of credit to the central payment account. Amounts will be punched in these T/R copies in the central facility.

7. As a possible alternative to the punching procedure outlined in the above two paragraphs, consideration can be given to having agencies send all T/R copies direct to the central facility for punching of dollar amounts. This needs some further exploration from the standpoint of relative costs. The disbursing offices were mentioned as a possibility because of the fact that they already have tabulating equipment to punch and prove checks, and the amount of T/R's to be punched under this proposal would be very small in comparison to the check volume, thereby adding little, if anything, to costs. On the other hand, direct transmission to the central facility would eliminate one handling.

8. Carriers will follow their usual procedures in establishing values on the requests for billing purposes. Those carriers utilizing 80-column punched card equipment, and who choose to do so, will utilize the original punched card T/R as a basis for mechanizing their billing to the Government. For this purpose, they need key punch only the amount since the serial number is prepunched. Certain other standard information (such as carriers' code number and bill number) may be gang punched. In such cases, the carriers will mechanically sort the T/R's in one continuous sequence (without any reference to agencies involved, since this is of no concern to the carriers under this plan) and list them to arrive at the total bill. Carriers not utilizing 80-column punched card equipment will follow their usual billing procedures except that they will prepare one consolidated bill, in which all T/R's are listed without regard to agency for submission to the central payment facility.

9. Upon receipt of the carriers' bills, the central payment facility will make immediate payment, following only a scanning to determine that they have been signed and a simple arithmetical verification of the bill. Where T/R's have been punched by carriers, this will require only a mechanical addition (without listing). Where the T/R's have not been punched by the carriers, they will be punched by the central facility, after which the same procedure will be followed.

10. The totals of the T/R's received on one bill from the carrier will be certified for payment to the Chief Disbursing Officer in Washington, who will issue a check to the carrier. This will all be done daily. The original T/R's will not be sent to the Chief Disbursing Officer, but will be retained by the central payment facility in a paid file for subsequent mechanical matching with the T/R copies.

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11. Periodically, the paid T/R's will be mechanically matched against the T/R copies. Differences will be mechanically accumulated in "over and short" accounts, and required net adjustments made with the agencies quarterly. A tolerance figure will be established to avoid handling small discrepancies.

12. After matching, original T/R's are submitted to the Transportation Division of the General Accounting Office for rate audit. It is anticipated that maximum utilization will be made of mechanization in the audit processes.

13. Any differences disclosed by the General Accounting Office audit will be billed to the carrier and, unless collection is otherwise effected, will be sent to the central point for offset.